



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

Internal Audit Section

DR. KENNETH M. STONE, CPA
Internal Audit Executive

Carroll County Courthouse Building
1114 Market St., Room 642
St. Louis, Missouri 63101
(314) 622-4723
Fax: (314) 613-8004

April 21, 2011

Sylvia Jackson, Executive Director
Women's Safe House
P. O. Box 63010
St. Louis, MO 63143

RE: Emergency Shelter Grant (ESG) (Project #2011-HOM08)

Dear Ms. Jackson:

Enclosed is a report of the fiscal monitoring review of the Women's Safe House, a not-for-profit organization, ESG program, for the period January 1, 2010 through October 31, 2010. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of Women's Safe House. Fieldwork was completed on February 16, 2011.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the Department of Human Services (DHS) to provide fiscal monitoring to all federal grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at (314) 622-4723.

Sincerely,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

Cc: Ron Hicks, Fiscal Manager, DHS
Antoinette Triplett, Manager II - Homeless Services, DHS



CITY OF ST. LOUIS

**DEPARTMENT OF HUMAN SERVICES (DHS)
EMERGENCY SHELTER GRANT (ESG)**

**WOMEN'S SAFE HOUSE
CONTRACT #62027
CFDA #14.231**

FISCAL MONITORING REVIEW

JANUARY 1, 2010 THROUGH OCTOBER 31, 2010

PROJECT #2011-HOM08

DATE ISSUED: APRIL 21, 2011

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS) - HOMELESS SERVICES
EMERGENCY SHELTER GRANT
WOMEN'S SAFE HOUSE
FISCAL MONITORING REVIEW
JANUARY 1, 2010 THROUGH OCTOBER 31, 2010

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INTRODUCTION

Background

Contract Name: Women's Safe House

Contract Number: 62027

CFDA Number: 14.231

Contract Period: January 1, 2010 through October 31, 2010

Contract Amount: \$32,160

The contract provided Emergency Shelter Grant (ESG) funds to Women's Safe House (Agency) to provide a comprehensive continuum of care services for eligible women at risk of becoming homeless in the City of St. Louis and individuals and families residing in a location which is more than 100 miles from the City of St. Louis or whose last known permanent address was more than 100 miles from the City of St. Louis.

Purpose

The purpose of the review was to determine the Agency's compliance with federal, state and local Department of Human Services (DHS) requirements for the period January 1, 2010, through October 31, 2010, and make recommendations for improvements as considered necessary.

Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grant administered by DHS. Evidence was tested supporting the reports the Agency submitted to DHS and other procedures were performed as considered necessary. Fieldwork was completed on February 16, 2011.

Exit Conference

An exit conference was offered to the Agency on April 8, 2011, but the agency declined.

Management's Responses

The management's responses to the observations and recommendations identified in the report were received from the Agency on April 15, 2011. The responses have been incorporated into this report.

SUMMARY OF OBSERVATIONS

Conclusion

The Agency did not fully comply with federal, state and local DHS requirements.

Status of Prior Observations

The Agency's previous fiscal monitoring report, Project #2009-HOM25, issued October 13, 2009, contained no observations.

A-133 Status

The Agency did not expend \$500,000 or more in federal funds in its fiscal year ended June 30, 2010; therefore, it was not required to have a single audit in accordance with OMB Circular A-133.

Summary of Current Observations

Recommendations were made for the following observations, which if implemented could assist the Agency in fully complying with federal, state and local DHS requirements.

- Opportunity to improve internal controls over time reporting

DETAILED OBSERVATION, RECOMMENDATIONS AND MANAGEMENT RESPONSES

Opportunity To Improve Internal Controls Over Time Reporting

Time cards for the months of April and September 2010 were reviewed, and it was noted, they were not signed by employees or approved by management.

Section VII of the DHS manual states, "A timesheet for each employee must be maintained for each pay period. The time report must display actual hours worked and/or time off for each working day. The time report also must be signed by the employee and the supervisor or authorized representative. Minimum information requirements include: pay period, employee name, employee signature, supervisor signature (or authorized representative), individual days in the pay period, actual hours worked or charged to activities funded by the grant during the pay period".

Agency management did not have an adequate system of internal control in place to ensure compliance with the requirements of DHS procedures manual concerning time reporting. Inadequate internal controls over time reporting may result in salaries paid for hours not worked. In addition, it may also result in suspension or termination of the grant contract.

Recommendation

It is recommended that the Agency establish an effective system of internal control to ensure time cards are signed by the employee and approved by the management as required by DHS procedures manual.

Management's Response

In October 2010, TWSH implemented a policy that all time cards and time sheets must be signed by both staff and employee. We have further refined this internal control to include a review of bi-monthly time reports by the Finance Manager prior to payroll.